

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

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In re:

JOANN INC., *et al.*,<sup>1</sup>

Debtors.

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Chapter 11

Case No. 25-10068 (CTG)

(Jointly Administered)

**Objection Deadline: June 5, 2025 at 4:00 pm. (ET)**  
**Hearing Date: TBD)**

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**NOTICE OF FIRST INTERIM APPLICATION FOR COMPENSATION AND  
REIMBURSEMENT OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP,  
AS CO-COUNSEL FOR THE OFFICIAL COMMITTEE OF  
UNSECURED CREDITORS FOR THE PERIOD FROM  
JANUARY 31, 2025 THROUGH MARCH 31, 2025**

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**PLEASE TAKE NOTICE** that on May 15, 2025, Pachulski Stang Ziehl & Jones LLP, co-counsel for the official committee of unsecured creditors (the “Committee”), filed its *First Interim Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Official Committee of Unsecured Creditors for the Period From January 31, 2025 Through March 31, 2025* (the “Application”), seeking compensation for the reasonable and necessary services rendered to the Committee in the amount of \$335,121.00 and reimbursement for actual and necessary expenses in the amount of \$3,326.46.

**PLEASE TAKE FURTHER NOTICE** that any response or objection to the Application, if any, must be made in writing and filed with the United States Bankruptcy Court for the District of Delaware, 824 North Market Street, 3<sup>rd</sup> Floor, Courtroom No. 7, Wilmington, Delaware 19801 (the “Court”) on or before **June 5, 2025 at 4:00 p.m. Eastern Time.**

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<sup>1</sup> The Debtors in these chapter 11 cases are: JOANN Inc.; Needle Holdings LLC; Jo-Ann Stores, LLC; Creative Tech Solutions LLC; Creativebug, LLC; WeaveUp, Inc.; JAS Aviation, LLC; joann.com, LLC; JOANN Ditto Holdings Inc.; Dittopatterns LLC; JOANN Holdings 1, LLC; JOANN Holdings 2, LLC; and Jo-Ann Stores Support Center, Inc.

The Application is submitted pursuant to the *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses for Retained Professionals and (II) Granting Related Relief* entered on March 4, 2025 [Docket No. 552] (the “Administrative Order”).

**PLEASE TAKE FURTHER NOTICE** that at the same time, you must also serve a copy of the response or objection upon the following parties (the “Fee Notice Parties”): (a) the Debtors, JOANN Inc., 5555 Darrow Road, Hudson, Ohio 44236, Attn.: Ann Aber, EVP, Chief Legal and Human Resources Officer; (b) proposed co-counsel to the Debtors, (i) Kirkland & Ellis LLP, 601 Lexington Avenue, New York, New York 10022, Attn.: Aparna Yenamandra, P.C. (aparna.yenamandra@kirkland.com) and 333 West Wolf Point Plaza, Chicago Illinois 60654, Attn.: Jeffrey Michalik (jeff.michalik@kirkland.com), and Lindsey Blumenthal (lindsey.blumenthal@kirkland.com) and (ii) Cole Schotz P.C., 500 Delaware Avenue, Suite 1410, Wilmington, Delaware 19801, Attn.: Patrick J. Reilley (preilley@coleschotz.com), Stacy L. Newman (snewman@coleschotz.com), Michael E. Fitzpatrick (mfitzpatrick@coleschotz.com), and Jack M. Dougherty (jdougherty@coleschotz.com); (c) the United States Trustee, 844 King Street, Suite 2207, Lockbox 35, Wilmington, Delaware 19801, Attn.: Malcolm M. Bates (malcolm.m.bates@usdoj.gov); (d) counsel to the Prepetition ABL Agent, Morgan, Lewis & Bockius LLP, One Federal Street, Boston, Massachusetts 02110, Attn.: Christopher Carter (christopher.carter@morganlewis.com) and Marjorie Crider (marjorie.crider@morganlewis.com); (e) counsel to the Prepetition FILO Agent, Choate Hall & Stewart LLP, 2 International Place, Boston, Massachusetts 02110, Attn.: John Ventola (jventola@choate.com) and Jonathan Marshall (jmarshall@choate.com); (f) counsel to the Prepetition Term Loan Lender Ad Hoc Group, Gibson, Dunn & Crutcher LLP, 200 Park Avenue New York, New York 10166, Attn.: Scott Greenberg (SGreenberg@gibsondunn.com), Kevin Liang (KLiang@gibsondunn.com), and Josh Brody (JBrody@gibsondunn.com); (g) counsel to the Prepetition Term Loan Agent, ArentFox Schiff

LLP, 1301 Avenue of the Americas, 42nd Floor, New York, New York 10019, Attn.: Jeffrey Gleit (jeffrey.gleit@afslaw.com) and 1717 K Street NW, Washington, D.C. 20006, Attn.: Jonathan Bagg (jonathan.bagg@afslaw.com), and 233 South Wacker Drive, Suite 7100, Chicago, Illinois 60606, Attn.: Matthew Bentley (matthew.bentley@afslaw.com); (h) counsel to Gordon Brothers Retail Partners, LLC, Katten Muchin Rosenman LLP, 50 Rockefeller Plaza, New York, New York 10020, Attn.: Steven Reisman (sreisman@katten.com) and Cindi Giglio (cgiglio@katten.com); and (i) counsel to the Official Committee of Unsecured Creditors, (i) Kelley Drye & Warren LLP, 3 World Trade Center, New York, New York 10007, Attn: Jason Adams (jadams@kelleydrye.com), Maeghan McLoughlin (mmcloughlin@kelleydrye.com) and Connie Choe (cchoe@kelleydrye.com) (ii) Pachulski Stang Ziehl & Jones LLP, 919 North Market Street, 17th Floor, P.O. Box 8705, Wilmington, Delaware, 19899-8705, Attn: Bradford Sandler (bsandler@pszjlaw.com) and James O'Neill (joneill@pszjlaw.com).

**PLEASE TAKE FURTHER NOTICE** that a hearing on the Application will be scheduled at a later date before the Honorable Craig T. Goldblatt, 824 North Market Street, Third Floor, Courtroom #7, Wilmington, Delaware 19801.

**PLEASE TAKE FURTHER NOTICE THAT IF NO OBJECTIONS ARE FILED AND SERVED IN ACCORDANCE WITH THE ABOVE PROCEDURES, THE APPLICATION MAY BE PAID PURSUANT TO THE ADMINISTRATIVE ORDER WITHOUT FURTHER ORDER OR HEARING OF THE COURT.**

Dated: May 15, 2025

**PACHULSKI STANG ZIEHL & JONES LLP**

By: /s/ James E. O'Neill

Bradford J. Sandler (DE Bar No. 4142)

James E. O'Neill (DE Bar No. 4042)

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- and -

**KELLEY DRYE & WARREN LLP**

Jason R. Adams (admitted *pro hac vice*)

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*Co-Counsel to the Official Committee  
of Unsecured Creditors*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|  |   |  |
|--|---|--|
| In re:                                   | ) |  |
|  | ) | Chapter 11   |
|  | ) |  |
| JOANN INC., <i>et al.</i> , <sup>1</sup> | ) | Case No. 25-10068 (CTG)                                  |
|  | ) |  |
| Debtors.                                 | ) | (Jointly Administered)                                   |
|  | ) |  |
|  | ) | <b>Objection Deadline: June 5, 2025 at 4:00 pm. (ET)</b> |
|  |   | <b>Hearing Date: TBD</b>                                 |

**FIRST INTERIM APPLICATION FOR COMPENSATION AND REIMBURSEMENT  
OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP, AS CO-COUNSEL  
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS  
FOR THE PERIOD FROM JANUARY 31, 2025 THROUGH MARCH 31, 2025**

|  |   |
|--|---|
| Name of Applicant:   | Pachulski Stang Ziehl & Jones LLP                               |
| Authorized to Provide Professional Services to:  | The Official Committee of Unsecured Creditors                   |
| Date of Retention:   | Effective as of January 31, 2025 by Order signed March 24, 2025 |
| Period for which Compensation and Reimbursement is Sought:   | January 31, 2025 – March 31, 2025 <sup>2</sup>                  |
| Amount of Compensation Sought as Actual, Reasonable and Necessary:   | \$335,121.00  |
| Amount of Expense Reimbursement Sought as Actual, Reasonable and Necessary:  | \$3,326.46  |
| Rates are Higher than those Approved or Disclosed at Retention? Yes ___ No <u>X</u><br>If yes, Total Compensation Sought Using Rates Disclosed in Retention Application: |   |
| Compensation Sought in this Application Already Paid Pursuant to a Monthly Compensation Order but not yet Allowed:   | \$0.00  |

<sup>1</sup> The Debtors in these chapter 11 cases are: JOANN Inc.; Needle Holdings LLC; Jo-Ann Stores, LLC; Creative Tech Solutions LLC; Creativebug, LLC; WeaveUp, Inc.; JAS Aviation, LLC; joann.com, LLC; JOANN Ditto Holdings Inc.; Dittopatterns LLC; JOANN Holdings 1, LLC; JOANN Holdings 2, LLC; and Jo-Ann Stores Support Center, Inc.

<sup>2</sup> Applicant reserves the right to include any time expended in the time period indicated above in future application(s) if it is not included herein.

|  |                                   |
|--|-----------------------------------|
| Name of Applicant:   | Pachulski Stang Ziehl & Jones LLP |
| Expenses Sought in this Application Already Paid Pursuant to a Monthly Compensation Order but not yet Allowed: | \$0.00                            |
| Number of Professionals Included in this Application:  | 9                                 |
| If Applicable, Number of Professionals in this Application not Included in Staffing Plan Approved by Client:   | N/A                               |
| Number of Professionals Billing Fewer than 15 Hours to the Case During this Period:                            | 7                                 |

This is a: ☐ monthly ☒ interim ☐ final application.

The total time expended for fee application preparation is approximately 3.0 hours and the corresponding compensation requested is approximately \$1,950.00.

**PRIOR APPLICATIONS FILED**

| Date Filed | Period Covered    | Requested Fees | Requested Expenses | Approved Fees | Approved Expenses |
|------------|-------------------|----------------|--------------------|---------------|-------------------|
| 4/21/25    | 1/31/25 – 2/28/25 | \$311,352.50   | \$3,157.76         | Pending       | Pending           |
| 4/22/25    | 3/1/25 – 3/31/25  | \$23,768.50    | \$168.70           | Pending       | Pending           |

**PSZJ PROFESSIONALS**

| <b>Name of Professional Individual</b> | <b>Position of the Applicant, Year of Obtaining License to Practice</b> | <b>Hourly Billing Rate (including Changes)</b> | <b>Total Hours Billed</b> | <b>Total Compensation</b> |
|--|---|--|---------------------------|---------------------------|
| Sandler, Bradford J.                   | Partner, 1996   | \$1,895.00                                     | 33.90                     | \$64,240.50               |
| Morris, John A.                        | Partner, 1991   | \$1,875.00                                     | 6.10                      | \$11,437.50               |
| O'Neill, James E.                      | Partner, 2001   | \$1,475.00                                     | 100.20                    | \$147,795.00              |
| O'Neill, James E.                      | Partner, 2001   | \$1,395.00                                     | 1.60                      | \$2,232.00                |
| Litvak, Maxim B.                       | Partner, 1997   | \$1,725.00                                     | 10.60                     | \$18,285.00               |
| Feinstein, Robert J.                   | Partner, 1982   | \$1,950.00                                     | 0.40                      | \$780.00                  |
| Levine, Beth E.                        | Counsel, 1993   | \$1,350.00                                     | 2.70                      | \$3,645.00                |
| Robinson, Colin R.                     | Counsel, 2001   | \$1,325.00                                     | 8.40                      | \$11,130.00               |
| Keane, Peter J.                        | Counsel, 2010   | \$1,295.00                                     | 24.00                     | \$31,080.00               |
| Corma, Edward A.                       | Associate, 2020   | \$875.00                                       | 3.30                      | \$2,887.50                |
| Bates, Andrea T.                       | Paralegal   | \$650.00                                       | 37.10                     | \$24,115.00               |
| Knotts, Cheryl A.                      | Paralegal   | \$575.00                                       | 1.80                      | \$1,035.00                |
| Yee, Karina K.                         | Paralegal   | \$625.00                                       | 0.20                      | \$125.00                  |
| Flores, Melissa N.                     | Paralegal   | \$625.00                                       | 0.50                      | \$312.50                  |
| Cuniff, Patricia E.                    | Paralegal   | \$625.00                                       | 5.20                      | \$3,250.00                |
| Paul, Andrea R.                        | Case Management Assistant   | \$495.00                                       | 4.80                      | \$2,376.00                |
| Bouzoukis, Charles, J.                 | Case Management Assistant   | \$495.00                                       | 16.50                     | \$8,167.50                |
| Arnold, Gary L.                        | Case Management Assistant   | \$495.00                                       | 4.50                      | \$2,227.50                |
| <b>Total</b>                           |   |  | <b>261.80</b>             | <b>\$335,121.00</b>       |

**Total:** \$335,121.00  
**Total Hours:** 261.80  
**Blended Rate:** \$1,280.06

**COMPENSATION BY CATEGORY**

| <b>Project Categories</b>                     | <b>Total Hours</b> | <b>Total Fees</b>   |
|---|--------------------|---------------------|
| Asset Disposition                             | 40.90              | \$60,077.50         |
| Bankruptcy Litigation                         | 33.20              | \$47,292.00         |
| Case Administration                           | 21.20              | \$22,682.00         |
| Claims Administration and Objections          | 1.00               | \$1,895.00          |
| PSZJ Compensation                             | 0.60               | \$390.00            |
| Other Professional Compensation               | 1.70               | \$2,885.50          |
| Contract and Lease Matters                    | 0.20               | \$295.00            |
| Fee/Employment Application                    | 0.30               | \$568.50            |
| Financial Filings                             | 1.20               | \$1,770.00          |
| Financing/Cash Collateral/Cash Management     | 29.40              | \$49,278.00         |
| General Creditors' Committee                  | 6.90               | \$11,581.50         |
| Hearings                                      | 60.50              | \$53,606.50         |
| Meetings of and Communications With Creditors | 7.20               | \$8,640.00          |
| Operations                                    | 2.60               | \$4,453.00          |
| Plan and Disclosure Statement                 | 2.90               | \$5,117.50          |
| Relief from Stay                              | 0.20               | \$379.00            |
| PSZJ Retention                                | 15.70              | \$14,909.00         |
| Other Professional Retention                  | 36.10              | \$49,301.00         |
| <b>Totals</b>                                 | <b>261.80</b>      | <b>\$335,121.00</b> |



**EXPENSE SUMMARY**

| <b>Expense Category</b>    | <b>Total Expenses</b> |
|----------------------------|-----------------------|
| Working Meals              | \$430.87              |
| Delivery/Courier Services  | \$120.00              |
| Court Fees                 | \$350.00              |
| Lexis/Nexis-Legal Research | \$55.99               |
| Litigation Support Vendors | \$60.00               |
| PACER - Court Research     | \$311.80              |
| Postage                    | \$108.78              |
| Reproduction Expense       | \$918.20              |
| Transcript                 | \$970.82              |
| <b>Total</b>               | <b>\$3326.46</b>      |

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

|   |   |  |
|---|---|--|
| <p>In re:</p><br><br><br><p>JOANN INC., <i>et al.</i>,<sup>1</sup></p><br><br><p style="text-align: center;">Debtors.</p> | <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> <p>)</p> | <p>Chapter 11</p><br><br><p>Case No. 25-10068 (CTG)</p><br><p>(Jointly Administered)</p><br><p><b>Objection Deadline: June 5, 2025 at 4:00 pm. (ET)</b><br/><b>Hearing Date: TBD</b></p> |
|---|---|--|

**FIRST INTERIM APPLICATION FOR COMPENSATION AND REIMBURSEMENT  
OF EXPENSES OF PACHULSKI STANG ZIEHL & JONES LLP, AS CO-COUNSEL  
FOR THE OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE  
PERIOD FROM JANUARY 31, 2025 THROUGH MARCH 31, 2025**

Pursuant to sections 330 and 331 of Title 11 of the United States Code (the “Bankruptcy Code”), Rule 2016 of the Federal Rules of Bankruptcy Procedure (collectively, the “Bankruptcy Rules”) and the Court’s *Order (I) Establishing Procedures for Interim Compensation and Reimbursement of Expenses of Retained Professionals and (II) Granting Related Relief* signed on or about March 4, 2025 [Docket No. 552] (the “Administrative Order”), Pachulski Stang Ziehl & Jones LLP (“PSZJ” or the “Firm”), co-counsel to the Official Committee of Unsecured Creditors (the “Committee”), hereby submits its *First Interim Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel to the Official Committee of Unsecured Creditors for the Period from January 31, 2025 Through March 31, 2025* (the “Application”).

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<sup>1</sup> The Debtors in these chapter 11 cases are: JOANN Inc.; Needle Holdings LLC; Jo-Ann Stores, LLC; Creative Tech Solutions LLC; Creativebug, LLC; WeaveUp, Inc.; JAS Aviation, LLC; joann.com, LLC; JOANN Ditto Holdings Inc.; Dittopatterns LLC; JOANN Holdings 1, LLC; JOANN Holdings 2, LLC; and Jo-Ann Stores Support Center, Inc.

By this Application PSZJ seeks an interim allowance of compensation in the amount of \$335,121.00 and actual and necessary expenses in the amount of \$3,326.46 for a total allowance of \$338,447.46 and payment of the unpaid amount of such fees and expenses for the period January 31, 2025 through March 31, 2025 (the “Fee Period”). In support of this Application, PSZJ respectfully represents as follows:

**Background**

1. On January 15, 2025 (the “Petition Date”), the Debtors filed voluntary petitions for relief under chapter 11 the Bankruptcy Code in the United States Bankruptcy Court for the District of Delaware. The Debtors are authorized to continue operating their businesses and managing their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code. The Debtors’ chapter 11 cases are being jointly administered for procedural purposes only pursuant to Bankruptcy Rule 1015(b) and Local Rule 1015-1. No request for the appoint of a trustee or examiner has been made in these chapter 11 cases.

2. On January 28, 2025, the Office of the United States Trustee appointed the Committee in this case pursuant to 11 U.S.C. § 1102 [Docket No. 198]. The members appointed to the Committee are (i) Low Tech Toy Club LLC; (ii) SunYin (HK) Holding Limited; (iii) Gwen Studios LLC; (iv) Brother International Corp.; (v) Ormo Ithalat Ihracat A.S.; (vi) Advantus, Corp.; (vii) Kimco Realty Corporation; (viii) Simon Property Group, Inc.; and (ix) Regency Centers, L.P.

3. On January 30, 2025, the Committee selected Kelley Drye & Warren LLP (“Kelley Drye”) as its lead counsel and Province, Inc. (“Province”) as its financial advisor. On January 31, 2025, the Committee selected Pachulski Stang Ziehl & Jones, LLP (“PSZJ”) as its co-counsel.

4. The Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2).

5. On March 4, 2025, the Court entered the Administrative Order, authorizing estate professionals (“Professionals”) to submit applications for interim compensation and reimbursement for expenses, pursuant to the procedures specified therein. The Administrative Order provides, among other things, that a Professional may submit monthly fee applications. If no objections are made within twenty-one (21) days after service of the monthly fee application the Debtors are authorized to pay the Professional eighty percent (80%) of the requested fees and one hundred percent (100%) of the requested expenses. Beginning with the period ending on March 31, 2025, and at three-month intervals thereafter, each of the Professionals may file and serve an interim application for allowance of the amounts sought in its monthly fee applications for that period. All fees and expenses paid are on an interim basis until final allowance by the Court.

6. The retention of PSZJ, as co-counsel to the Committee, was approved effective as of January 31, 2025, by this Court’s *Order Authorizing the Employment and Retention of Pachulski Stang Ziehl & Jones LLP as Co-Counsel to the Official Committee of Unsecured Creditors Effective as of January 31, 2025* [Docket No. 634] (the “Retention Order”). The Retention Order authorized PSZJ to be compensated on an hourly basis and to be reimbursed for actual and necessary out-of-pocket expenses.

7. Attorneys retained pursuant to sections 327 or 1103 of the Bankruptcy Code must comply with certain requirements of the *United States Trustee’s Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses Filed under 11 U.S.C. §330 by Attorneys in Larger Chapter 11 Cases* (the “Revised UST Guidelines”). The Office of the United States Trustee has promulgated forms to aid in compliance with the Revised UST Guidelines. Charts and tables based on such forms are attached hereto as exhibits and filled out with data to

the extent relevant to these cases: **Exhibit A**, Customary and Comparable Compensation Disclosures with Fee Applications; **Exhibit B**, Summary of Timekeepers Included in this Fee Application, **Exhibit C**, Staffing Plan; **Exhibit D-1**, Summary of Compensation Requested by Project Category; **Exhibit D-2**, Summary of Expense Reimbursement Requested by Category; and **Exhibit E**, Summary Cover Sheet of Fee Application.

**PSZJ's APPLICATION FOR COMPENSATION AND  
FOR REIMBURSEMENT OF EXPENSES**

**Compensation Paid and Its Source**

8. The monthly fee statements (the “Monthly Fee Statements”) for the periods January 31, 2025 through March 31, 2025 of PSZJ have been filed and served pursuant to the Administrative Order.

9. On April 21, 2025, PSZJ filed its *First Monthly Fee Statement for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Official Committee of Unsecured Creditors, for the Period from January 31, 2025 through March 31, 2025* (the “First Monthly Fee Statement”) requesting \$311,352.50 in fees and \$3,157.76 in expenses. As of the filing date of this Application, PSZJ has not been paid on account of the First Monthly Fee Statement.

10. On April 22, 2025, PSZJ filed its *Second Monthly Fee Statement for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Official Committee of Unsecured Creditors, for the Period from March 1, 2025 Through March 31, 2025* (the “Second Monthly Fee Statement”) requesting \$23,768.50 in fees and \$168.70 in expenses. As of the filing date of this Application, PSZJ has not been paid on account of the Second Monthly Fee Statement.

11. The Monthly Fee Statements covered by this Application contain detailed daily time logs describing the actual and necessary services provided by PSZJ during the periods covered by such applications as well as other detailed information required to be included in fee applications.

**Requested Relief**

12. By this Application, PSZJ requests that the Court approve payment of one-hundred percent (100%) of the fees and expenses incurred by PSZJ during the Interim Period of January 31, 2025 through March 31, 2025.

13. At all relevant times, PSZJ has not represented any party having an interest adverse to these cases.

14. All services for which PSZJ requests compensation were performed for or on behalf of the Committee, and not on behalf of the Debtors, any other committee, creditor or other person.

15. PSZJ, and any partner, of counsel, or associate thereof, have received no payment and no promises for payment from any source other than from the Debtors for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between PSZJ and any other person other than among the partners, of counsel, or associates of PSZJ for the sharing of compensation to be received for services rendered in these cases.

16. The professional services and related expenses for which PSZJ requests interim allowance of compensation and reimbursement of expenses were rendered and incurred in connection with these cases in the discharge of PSZJ's professional responsibilities as attorneys for the Committee in these chapter 11 cases. PSZJ's services have been necessary and beneficial to the Committee, the Debtors and their estates, creditors and other parties in interest.

17. In accordance with the factors enumerated in section 330 of the Bankruptcy Code, it is respectfully submitted that the amount requested by PSZJ is fair and reasonable given (a) the complexity of the case, (b) the time expended, (c) the nature and extent of the services rendered, (d) the value of such services, and (e) the costs of comparable services other than in a case under the Bankruptcy Code. Moreover, PSZJ has reviewed the requirements of Del. Bankr. LR 2016-2 and the Administrative Order and believes that this Application complies with such Rule and Order.

**Statement from PSZJ**

18. Pursuant to the Appendix B Guidelines for Reviewing Application for Compensation and Reimbursement of Expenses Filed under the United States Code by Attorneys in Larger Chapter 11 Cases, PSZJ responds to the following questions regarding the Application:

| Question  | Yes | No  | Additional Explanation or Clarification   |
|---|-----|-----|---|
| Did you agree to any variations from, or alternatives to, your standard or customary billing rates, fees or terms for services pertaining to this engagement that were provided during the application period? If so, please explain. |     | No  |   |
| If the fees sought in this fee application as compared to the fees budgeted for the time period covered by this fee application higher by 10% or more, did you discuss the reasons for the variation with the client?                 |     | N/A |   |
| Have any of the professionals included in this fee application varied their hourly rate based on the geographic location of the bankruptcy case?  |     | No  |   |
| Does the fee application include time or fees related to reviewing or revising time records or preparing, reviewing, or revising invoices?  | Yes |     | .60 hours were spent reviewing/revising invoices in connection with preparation of fee applications for a total of \$390.00 |

| Question   | Yes | No | Additional Explanation or Clarification |
|--|-----|----|---|
| Does this fee application include time or fees for reviewing time records to redact any privileged or other confidential information? If so, please quantify by hours and fees.  |     | No |   |
| If the fee application includes any rate increases since retention in these Cases: <ul style="list-style-type: none"> <li>i. Did your client review and approve those rate increases in advance?</li> <li>ii. Did your client agree when retaining the law firm to accept all future rate increases? If not, did you inform your client that they need not agree to modified rates or terms in order to have you continue the representation, consistent with ABA Formal Ethics Opinion 11-458?</li> </ul> |     | No |   |

WHEREFORE, PSZJ respectfully requests that, for the period January 31, 2025 through March 31, 2025, an interim allowance be made to PSZJ for compensation in the amount of \$335,121.00 and actual and necessary expenses in the amount of \$3,326.49 for a total allowance of \$338,447.46 and that the Debtors be authorized and directed to pay to PSZJ the outstanding amount of such sums; and for such other and further relief as may be just and proper.



Dated: May 15, 2025

**PACHULSKI STANG ZIEHL & JONES LLP**

By: /s/ James E. O'Neill

Bradford J. Sandler (DE Bar No. 4142)

James E. O'Neill (DE Bar No. 4042)

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- and -

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ewilson@kelleydrye.com

wgyves@kelleydrye.com

mmcloughlin@kelleydrye.com

*Co-Counsel to the Official Committee  
of Unsecured Creditors*

**DECLARATION**

STATE OF DELAWARE       :  
   :  
COUNTY OF NEW CASTLE :

James E. O'Neill, after being duly sworn according to law, deposes and says:

a)       I am a partner with the applicant law firm Pachulski Stang Ziehl & Jones LLP, and am admitted to appear before this Court.

b)       I am familiar with the legal services rendered by PSZJ as counsel to the Committee.

c)       I have reviewed the foregoing Application and the facts set forth therein are true and correct to the best of my knowledge, information and belief. Moreover, I have reviewed Del. Bankr. LR 2016-2, and the Administrative Order signed on or about March 4, 2025, and submit that the Application substantially complies with such rule and orders.

/s/ James E. O'Neill

James E. O'Neill

**EXHIBIT A****CUSTOMARY AND COMPARABLE COMPENSATION DISCLOSURES WITH FEE APPLICATIONS**

(See Guidelines C.3. for definitions of terms used in this Exhibit.)

| CATEGORY OF TIMEKEEPER<br>(using categories already maintained by the firm) | BLENDED HOURLY RATE*  |                                   |
|---|---|-----------------------------------|
|   | BILLED OR COLLECTED<br>Firm or offices for preceding year,<br>excluding bankruptcy* | BILLED<br>In this fee application |
| Sr./Equity Partner/Shareholder  | \$1,700.00  | \$1,601.90                        |
| Of Counsel  | \$1,400.00  | \$1,306.41                        |
| Associates  | \$1,000.00  | \$875                             |
| Law Library Director  | \$625.00  | N/A                               |
| Paralegal   | \$495.00  | \$643.69                          |
| Case Management Assistants  | \$1,050.00**  | \$495.00                          |
| All timekeepers aggregated**  | \$1,700.00  | \$1,280.06                        |

\* Represents approximate blended hourly rate. Non-estate work for PSZ&J represents a de minimis amount of the Firm's revenues as the Firm's engagements are primarily on behalf of debtors, official committees, and other estate-billed constituencies. For fiscal year ending 2024, non-estate work represented approximately 8-10% of the Firm's revenues. It is expected that non-estate work in 2024 will represent approximately 8-10% of the Firms' revenues.

\*\*Represents an estimate for the aggregate blended hourly rate for all timekeepers on non-estate work

|                      |  |
|----------------------|--|
| Case Name:           | <u>Joann Inc., et al.</u>                    |
| Case Number:         | <u>25-10068 (CTG)</u>                        |
| Applicant's Name:    | <u>Pachulski Stang Ziehl &amp; Jones LLP</u> |
| Date of Application: | <u>5/15/25</u>                               |
| Interim or Final:    | <u>Interim</u>                               |

**EXHIBIT B****SUMMARY OF TIMEKEEPERS INCLUDED IN THIS APPLICATION**

| NAME                   | TITLE OR POSITION         | DEPARTMENT, GROUP OR SECTION | DATE OF ADMISSION (if applicable) | HOURS BILLED IN THIS APPLICATION | FEES BILLED IN THIS APPLICATION | HOURLY RATE BILLED  |                              | NUMBER OF RATE INCREASES SINCE CASE INCEPTION |
|------------------------|---------------------------|------------------------------|-----------------------------------|----------------------------------|---------------------------------|---------------------|------------------------------|---|
|                        |                           |                              |                                   |                                  |                                 | IN THIS APPLICATION | IN FIRST INTERIM APPLICATION |   |
| Sandler, Bradford J.   | Partner                   | Bankruptcy                   | 1996                              | 33.90                            | \$64,240.50                     | \$1,895.00          | N/A                          | 0   |
| Morris, John A.        | Partner                   | Bankruptcy                   | 1996                              | 6.10                             | \$11,437.50                     | \$1,875.00          | N/A                          | 0   |
| O'Neill, James E.      | Partner                   | Bankruptcy                   | 2001                              | 100.20                           | \$147,795.00                    | \$1,475.00          | N/A                          | 1   |
| O'Neill, James E.      | Partner                   | Bankruptcy                   | 2001                              | 1.60                             | \$2,232.00                      | \$1,395.00          | N/A                          | 0   |
| Litvak, Maxim B.       | Partner                   | Bankruptcy                   | 2001                              | 10.60                            | \$18,285.00                     | \$1,725.00          | N/A                          | 0   |
| Feinstein, Robert J.   | Partner                   | Bankruptcy                   | 2010                              | 0.40                             | \$780.00                        | \$1,950.00          | N/A                          | 0   |
| Levine, Beth E.        | Counsel                   | Bankruptcy                   | 1993                              | 2.70                             | \$3,645.00                      | \$1,350.00          | N/A                          | 0   |
| Robinson, Colin R.     | Counsel                   | Bankruptcy                   | 2001                              | 8.40                             | \$11,130.00                     | \$1,325.00          | N/A                          | 0   |
| Keane, Peter J.        | Counsel                   | Bankruptcy                   | 2010                              | 24.00                            | \$31,080.00                     | \$1,295.00          | N/A                          | 0   |
| Corma, Edward A.       | Associate                 | Bankruptcy                   | 2020                              | 3.30                             | \$2,887.50                      | \$875.00            | N/A                          | 0   |
| Bates, Andrea T.       | Paralegal                 | Bankruptcy                   | N/A                               | 37.10                            | \$24,115.00                     | \$650.00            | N/A                          | 0   |
| Knotts, Cheryl A.      | Paralegal                 | Bankruptcy                   | N/A                               | 1.80                             | \$1,035.00                      | \$575.00            | N/A                          | 0   |
| Yee, Karina K.         | Paralegal                 | Bankruptcy                   | N/A                               | 0.20                             | \$125.00                        | \$625.00            | N/A                          | 0   |
| Flores, Melissa N.     | Paralegal                 | Bankruptcy                   | N/A                               | 0.50                             | \$312.50                        | \$625.00            | N/A                          | 0   |
| Cuniff, Patricia E.    | Paralegal                 | Bankruptcy                   | N/A                               | 5.20                             | \$3,250.00                      | \$625.00            | N/A                          | 0   |
| Paul, Andrea R.        | Case Management Assistant | Bankruptcy                   | N/A                               | 4.80                             | \$2,376.00                      | \$495.00            | N/A                          | 0   |
| Bouzoukis, Charles, J. | Case Management Assistant | Bankruptcy                   | N/A                               | 16.50                            | \$8,167.50                      | \$495.00            | N/A                          | 0   |
| Arnold, Gary L.        | Case Management Assistant | Bankruptcy                   | N/A                               | 4.50                             | \$2,227.50                      | \$495.00            | N/A                          | 0   |
| <b>GRANT TOTAL</b>     |                           |                              |                                   | <b>261.80</b>                    | <b>\$335,121.00</b>             |                     |                              |   |

|                      |                                   |
|----------------------|-----------------------------------|
| Case Name:           | Joann Inc., et al.                |
| Case Number:         | 25-10068 (CTG)                    |
| Applicant's Name:    | Pachulski Stang Ziehl & Jones LLP |
| Date of Application: | 5/15/25                           |
| Interim or Final:    | Interim                           |

**EXHIBIT C****STAFFING PLAN**

| <b>CATEGORY OF TIMEKEEPER <sup>1</sup></b><br><b>(using categories maintained by the firm)</b>   | <b>NUMBER OF TIMEKEEPERS EXPECTED TO</b><br><b>WORK ON THE MATTER DURING THE</b><br><b>BUDGET PERIOD</b> | <b>AVERAGE HOURLY RATE</b> |
|--|--|----------------------------|
| Sr./Equity Partner/Shareholder   | 2  | \$1,810.00                 |
| Of Counsel   | 2  | \$1,237.50                 |
| Associate  | 0  | N/A                        |
| Law Library Director   | 0  | N/A                        |
| Paralegal  | 3  | \$610.83                   |
| Case Management Assistants   | 2  | \$495.00                   |
| <sup>1</sup> As an alternative, firms can identify attorney timekeepers by years of experience rather than category of attorney timekeeper: 0-3, 4-7, 8-14, and 15+. Non-attorney timekeepers, such as paralegals, should be identified by category. |  |                            |

|                      |  |
|----------------------|--|
| Case Name:           | <u>Joann Inc., et al.</u>                    |
| Case Number:         | <u>25-10068 (CTG)</u>                        |
| Applicant's Name:    | <u>Pachulski Stang Ziehl &amp; Jones LLP</u> |
| Date of Application: | <u>5/15/25</u>                               |
| Interim or Final:    | <u>Interim</u>                               |

**EXHIBIT D-1****SUMMARY OF COMPENSATION REQUESTED BY CATEGORY**

(SEE GUIDELINES ¶ C.8 FOR PROJECT CATEGORY INFORMATION)

| CATEGORY                                      | HOURS BILLED<br>THIS PERIOD | TOTAL<br>FOR APPLICATION |
|---|-----------------------------|--------------------------|
| Asset Disposition                             | 40.90                       | \$60,077.50              |
| Bankruptcy Litigation                         | 33.20                       | \$47,292.00              |
| Case Administration                           | 21.20                       | \$22,682.00              |
| Claims Administration and Objections          | 1.00                        | \$1,895.00               |
| PSZJ Compensation                             | 0.60                        | \$390.00                 |
| Other Professional Compensation               | 1.70                        | \$2,885.50               |
| Contract and Lease Matters                    | 0.20                        | \$295.00                 |
| Fee/Employment Application                    | 0.30                        | \$568.50                 |
| Financial Filings                             | 1.20                        | \$1,770.00               |
| Financing/Cash Collateral/Cash Management     | 29.40                       | \$49,278.00              |
| General Creditors' Committee                  | 6.90                        | \$11,581.50              |
| Hearings                                      | 60.50                       | \$53,606.50              |
| Meetings of and Communications With Creditors | 7.20                        | \$8,640.00               |
| Operations                                    | 2.60                        | \$4,453.00               |
| Plan and Disclosure Statement                 | 2.90                        | \$5,117.50               |
| Relief from Stay                              | 0.20                        | \$379.00                 |
| PSZJ Retention                                | 15.70                       | \$14,909.00              |
| Other Professional Retention                  | 36.10                       | \$49,301.00              |
| <b>TOTAL</b>                                  | <b>261.80</b>               | <b>\$335,121.00</b>      |

|                      |                                   |
|----------------------|-----------------------------------|
| Case Name:           | Joann Inc., et al.                |
| Case Number:         | 25-10068 (CTG)                    |
| Applicant's Name:    | Pachulski Stang Ziehl & Jones LLP |
| Date of Application: | 5/15/25                           |
| Interim or Final:    | Interim                           |

**EXHIBIT D-2****SUMMARY OF EXPENSE REIMBURSEMENT REQUESTED BY CATEGORY**

(SEE GUIDELINES ¶ C.8 FOR PROJECT CATEGORY INFORMATION)

| <b>Expense</b>             | <b>Total</b>     |
|----------------------------|------------------|
| Working Meals              | \$430.87         |
| Delivery/Courier Services  | \$120.00         |
| Court Fees                 | \$350.00         |
| Lexis/Nexis-Legal Research | \$55.99          |
| Litigation Support Vendors | \$60.00          |
| PACER - Court Research     | \$311.80         |
| Postage                    | \$108.78         |
| Reproduction Expense       | \$918.20         |
| Transcript                 | \$970.82         |
| <b>Grand Total</b>         | <b>\$3326.46</b> |

|                      |                                   |
|----------------------|-----------------------------------|
| Case Name:           | Joann Inc., et al.                |
| Case Number:         | 25-10068 (CTG)                    |
| Applicant's Name:    | Pachulski Stang Ziehl & Jones LLP |
| Date of Application: | 5/15/25                           |
| Interim or Final:    | Interim                           |

**EXHIBIT E****SUMMARY COVER SHEET OF FEE APPLICATION**

|  |  |
|--|--|
| <b>Name of Applicant:</b>  | <b>Pachulski Stang Ziehl &amp; Jones LLP</b> |
| Name of client:  | Official Committee of Unsecured Creditors    |
| Time period covered by this application:   | January 31, 2025 through March 31, 2025      |
| Total compensation sought this period:   | \$335,121.00                                 |
| Total expenses sought this period:   | \$3,326.46                                   |
| Petition date:   | January 15, 2025                             |
| Retention date:  | January 31, 2025                             |
| Date of order approving employment:  | March 24, 2025                               |
| Total fees approved by interim order to date:  | \$0.00                                       |
| Total expenses approved by interim order to date:  | \$0.00                                       |
| Total allowed fees paid to date:   | \$0.00                                       |
| Total allowed expenses paid to date:   | \$0.00                                       |
| Blended rate in this application for all attorneys:  | \$1,535.11                                   |
| Blended rate in this application for all timekeepers:  | \$1,280.06                                   |
| Fees sought in this application already paid pursuant to a monthly compensation order but not yet allowed:     | \$0.00                                       |
| Expenses sought in this application already paid pursuant to a monthly compensation order but not yet allowed: | \$0.00                                       |
| Number of professionals included in this application:  | 9  |
| If applicable, number of professionals in this application not included in staffing plan approved by client:   | N/A  |
| If applicable, difference between fees budgeted and compensation sought for this period:                       | N/A  |
| Number of professionals billing fewer than 15 hours to the case during this period                             | 7  |



|  |  |
|--|--|
| <b>Name of Applicant:</b>  | <b>Pachulski Stang Ziehl &amp; Jones LLP</b> |
| Are any rates higher than those approved or disclosed at retention? If yes, calculate and disclose the total compensation sought in this application using the rates originally disclosed in the retention application | No.  |

|                      |  |
|----------------------|--|
| Case Name:           | <u>Joann Inc., et al.</u>                    |
| Case Number:         | <u>25-10068 (CTG)</u>                        |
| Applicant's Name:    | <u>Pachulski Stang Ziehl &amp; Jones LLP</u> |
| Date of Application: | <u>5/15/25</u>                               |
| Interim or Final:    | <u>Interim</u>                               |

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

## Chapter 11

JOANN INC., *et al.*,<sup>1</sup>

Case No. 25-10068 (CTG)

(Jointly Administered)

Debtors.

**ORDER GRANTING FIRST INTERIM APPLICATION FOR  
COMPENSATION AND REIMBURSEMENT OF EXPENSES OF  
PACHULSKI STANG ZIEHL & JONES LLP, AS CO-COUNSEL FOR THE  
OFFICIAL COMMITTEE OF UNSECURED CREDITORS FOR THE  
PERIOD FROM JANUARY 31, 2025 THROUGH MARCH 31, 2025**

Pachulski Stang Ziehl & Jones LLP (“PSZJ”), as counsel for the official committee of unsecured creditors (the “Committee”) in the above-captioned cases, filed its *First Interim Application for Compensation and Reimbursement of Expenses of Pachulski Stang Ziehl & Jones LLP, as Co-Counsel for the Official Committee of Unsecured Creditors for the Period from January 31, 2025 through March 31, 2025* (the “First Interim Fee Application”). The Court has reviewed the First Interim Fee Application and finds that: (a) the Court has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334; (b) notice of the First Interim Fee Application, and any hearing on the First Interim Fee Application, was adequate under the circumstances; and (c) all persons with standing have been afforded the opportunity to be heard on the First Interim Fee Application. Accordingly, it is hereby

<sup>1</sup> The Debtors in these chapter 11 cases are: JOANN Inc.; Needle Holdings LLC; Jo-Ann Stores, LLC; Creative Tech Solutions LLC; Creativebug, LLC; WeaveUp, Inc.; JAS Aviation, LLC; joann.com, LLC; JOANN Ditto Holdings Inc.; Dittopatterns LLC; JOANN Holdings 1, LLC; JOANN Holdings 2, LLC; and Jo-Ann Stores Support Center, Inc.

ORDERED that the First Interim Fee Application is GRANTED, on an interim basis. The Debtors in the above cases shall pay to PSZJ the sum of \$335,121.00 as compensation for necessary professional services rendered, and actual and necessary expenses in the amount of \$3,326.46 for a total of \$338,447.46 for services rendered and disbursements incurred by PSZJ for the period January 31, 2025 through March 31, 2025, less any amounts previously paid in connection with the Monthly Fee Statements.

ORDERED that this Court retains jurisdiction with respect to all matters arising from or related to the implementation, interpretation, and enforcement of this Order.